Punjab has enacted the 'Punjab Termination of Agreements Act 2004', terminating and discharging the Government of Punjab from its obligations under the agreement dated 31.12.1981 between Punjab, Haryana and Rajasthan on reallocation of waters and under all other agreements relating to the waters of Ravi-Beas. Government of India has made a Presidential Reference to the Supreme Court inter alia whether the Punjab Termination of Agreements Act, 2004 and the provisions thereof are in accordance with the provisions of the Constitution of India.

Setting up of mega power plants

258. SHRI C. RAMACHANDRAIAH: Will the Minister of POWER be pleased to state:

(a) whether it is a fact that foreign companies have been invited to build, own and operate mega power plants in the country;

(b) if so, the rationale behind permitting the foreign Companies to invest/participate in this strategic sector; and

(c) what safeguards are built into the agreements to prevent any company from resorting to arm twisting practices in the grid management of the country?

THE MINISTER OF STATE IN THE MINISTER OF POWER (SHRI JAIRAM RAMESH): (a) and (b) The policy to encourage greater private sector participation in the electricity sector was announced in 1991 with the objective of bringing in additionality of resources for the capacity addition programme which subsequently included Mega Power Projects. Since then privately owned enterprises, including foreign companies have been allowed in the electricity sector.

After the enactment of the Electricity Act, 2003, concurrence of Central Electricity Authority (CEA) is not required for setting up of thermal power plants including those in the private sector. In case of hydel projects, concurrence of CEA is required under Section 8(1) of the Electricity Act for setting up of a hydro power generation station estimated to involve a capital expenditure exceeding the sum notified by the Central Government.

Further, under the existing policy of the Government, Foreign Direct Investment (FDI) is permitted in the power sector on the automatic route wherein no prior approval of the Government is required except when the foreign investor has an existing collaboration/joint venture in the same sector.

(c) Grid management and operation is the responsibility of the Load Dispatch Centre which is to be operated by a Government Company or organization as per sections 26, 27 and 31 of the Electricity Act, 2003. Section 28 of the Act provides that the Regional Load Dispatch Centre (RLDC) shall be the apex body to ensure integrated operation of the power system in the

concerned region. The RLDC discharges its functions in accordance, inter alia, with the Grid Code specified by the Central Electricity Regulatory Commission (CERC). CERC has notified the Grid Code which provides, inter alia, for technical rules for operation, maintenance, development and planning of economic and reliable regional grid. Every grid constituent including the generating company owning and operating the mega power plant is required to comply with the grid code specified by the Commission. The Act has adequate provisions to deal with violation of the rules and regulations made thereunder.

Power situation in Assam

259. SHRI BIRENDRA PRASAD BAISHYA: Will the Minister of POWER be pleased to state:

(a) the demand and supply position of power in Assam, specifying the target set for coverving all the villages, agencies entrusted, alongwith modernization and reforms programmes undertaken in the power distribution sector;

(b) the achievements made in this regard, stating the support extended by the Central Government;

(c) the implementation status of Accelerated Power Development and Reforms Programme (APDRP) and Rajiv Gandhi Grameen Vidhyutikaran Yojana (RGGVY), with specific amount of funds released and utilized so far, in all the districts of Assam;

(d) whether all the districts of the State are covered under these programmes;

(e) if so, the status thereof; and

(f) if not, the reasons therefor and by when all the districts would be covered?

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRI JAIRAM RAMESH): (a) to (f) The requirement of power during September 2008 in Assam was 460 MU while availability of power was 412 MU. The peak demand and peak met during September 2008 was 830 MU and 770 MU respectively.

Assam State Electricity Regularity Commission (ASERC) has been constituted. Three tariff orders have been issued by ASERC. Assam State Electricity Board has been unbundled into one generation Company, one transmission company and three distribution companies.

Government of India had sanctioned 15 projects amounting to Rs. 650.73 crore under investment component of Accelerated Power Development and Reforms Programme (APDRP) for Assam, out of which APDRP component to be borne by Government of India is Rs. 601.54 crore. Government of India had already released Rs. 596.23 crores. State of Assam has utilised Rs. 532.58 crores so far. Projects sanctioned under APDRP cover the districts viz. Barpeta, Bongaigaon, Dhemaji, Dibrugarh, Golaghat, Kamprup (Metro), Kamprup (Rural), North Cachar Hills, Hailakandi, Jorhat, Karimganj, Kokrajhar, Lakhimpur, Darang, Marigaon, Nagaon, Sibsagar, Cachar and Tinsukia. The Government have approved the continuation of APDRP during the Eleventh Five Year Plan with revised terms and conditions as a Central Sector